

Message Text

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FM SECSTATE WASHDC

TO USMISSION IAEA VIENNA

S E C R E T STATE 172256

FOLLOWING REPEAT TOKYO 9768 SENT ACTION SECSTATE USERDA GERMAN
TOWN SEOUL MANILA DTD 19 JUL 75
QUOTE:

S E C R E T TOKYO 9768

REF: STATE 16185

- 2) STATE 154049
- 3) TOKYO 6997
- 4) TOKYO 7243
- 5) TOKYO 9387
- 6) TOKYO 9388

1. SUMMARY. RECENTLY COMPLETED 210 MT/YEAR TOKAI PILOT
REPROCESSING PLANT SCHEDULED FOR COMMERCIAL STARTUP IN
MID-1976 EXPECTED TO HANDLE SMALL PORTION FUTURE SPENT FUEL
REQUIREMENTS. PLANS FOR SATISFYING MAJOR DOMESTIC REPRO-
CESSING LOAD UNSETTLED. SPECTRUM OF OPINION EXISTS IN
ENRICHMENT AND REPROCESSING GROUP LEADERSHIP, GOVERNMENT AND
UTILITY COMMUNITY AS TO WHETHER NEXT INCREMENT REPROCESSING
SHOULD BE SITED DOMESTICALLY FOR ONLY JAPANESE NEEDS OR
WHETHER FOREIGN SITE AND MULTINATIONAL OWNERSHIP AND PARTI-
CIPATION DESIREABLE OR ACCEPTABLE. NO CONSENSUS APPARENT AT
THIS TIME, ACCORDINGLY RECOMMEND US ATTEMPT TO DRAW JAPANESE
INTO IAEA STUDY. END SUMMARY.

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2. THE TOKAI LWR SPENT FUEL REPROCESSING PLANT, A 0.7 METRIC
TONNE PER DAY PLANT STRETCHABLE TO 1.2 MT/DAY DESIGNED BY
SAINT GOBAIN AND JAPAN GASOLINE IS ABOUT TO BEGIN COLD TEST
RUNS. NO REGULATORY PROVISIONS HAVE BEEN MADE FOR OPERATING

AT THE HIGHER CAPACITY NOR HAS STRETCHABILITY RECEIVED MUCH PUBLICITY. IT IS NOW STARTING COLD TEST RUNS EXPECTED TO TAKE SEVEN MONTHS, AFTER WHICH SIX MONTHS OF HOT RUNS WILL BE COMPLETED BEFORE COMMERCIAL OPERATION BEGINS.

3. PROVIDING FOR THE NEXT INCREMENT OF REPROCESSING CAPABILITY HAS BEEN UNDER DISCUSSION FOR SEVERAL YEARS. IN 1973 ALLIED CHEMICAL AND GE INDEPENDENTLY ENTERED INTO DISCUSSIONS WITH THE JAPANESE ON VARIOUS POSSIBLE JOINT EFFORTS. IN 1974 SOME ATTENTION WAS GIVEN TO THE POSSIBILITY OF AN ISLAND SITE IN A RELATIVELY REMOTE SECTION OF KYUSHU. ALSO, US (GE)-JAPANESE (TOSHIBA, HITACHI, MITSUI, MARUBENI) FEASIBILITY STUDY WAS CONDUCTED OF A JOINTLY FUNDED 1500 METRIC TONNE PER YEAR PLANT TO BE BUILT IN THE US (WILMINGTON), HALF THE CAPACITY OF WHICH TO BE DEVOTED TO US AND HALF TO JAPANESE SPENT FUEL REQUIREMENTS.

4. IN 1974 UPON DECISION THAT A NEW ORGANIZATION SHOULD BE FORMED TO COPE WITH THE PROBLEM OF PLANT NUMBER TWO, THE ENRICHMENT AND REPROCESSING GROUP (ERG) WAS CREATED. THE ERG IS ALSO RESPONSIBLE FOR DEFINING THE DIRECTION AND TAKING THE STEPS NECESSARY TO PROVIDE FOR THE NEXT PHASE OF JAPAN'S ENRICHMENT PROGRAM. CHAIRMAN OF ERG, 74-YEAR OLD TAMAKI IPPONMATSU, CHAIRMAN OF THE BOARD OF JAPAN ATOMIC POWER COMPANY, PREVIOUSLY MANAGING DIRECTOR KANSAI ELECTRIC CO., TENDS TOWARD STRONG NATIONALISTIC STANCE DESIRING TO LOCATE PLANTS--BOTH ENRICHMENT AND REPROCESSING--IN JAPAN TO SATISFY JAPAN'S REQUIREMENTS ALONE. SECOND-IN-COMMAND SHIGEFUMI TAMIYA, OFFICIALLY ADVISOR TO CHAIRMAN OF ERG BUT ACTUALLY GENERAL MANAGER OF ERG, ATTENDED ARGONNE REACTOR SCHOOL WITH VICTOR CHENG, ROC, AND DR. BYOUNG WHIE LEE, DIRECTOR ROK AEC, MUCH MORE INCLINED TOWARD INTERNATIONAL COOPERATIVE RELATIONSHIPS, SEES SITING AND TECHNICAL PROBLEMS OF REPROCESSING INCREMENT AS FORMIDABLE, AND HAS BEEN ATTEMPTING TO PERSUADE IPPONMATSU TO SOFTEN POSITION, PARTICULARLY SINCE MAY. AT THAT TIME NAOJIRO TANAKA, EXECUTIVE V.P., TOKYO ELECTRIC POWER CO., CONTACTED IPPONMATSU AND ENTHUSIASTICALLY RECOMMENDED REORIENTATION TOWARD MULTI-SECRET

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NATIONAL APPROACH (TOKYO 6997). RYUKICHI IMAI, CONSULTANT TO CHAIRMAN ERG, IN REALITY, MORE LIKE ROVING OBSERVER OF NUCLEAR SCENE, WITH LITTLE PERSONAL STAKE IN SPECIFIC REPROCESSING ASPECT ERG, SEEMS LESS INCLINED TO SEE NEED FOR REGIONAL COOPERATION THAN TAMIYA.

5. BOTH TAMIYA AND IMAI RECEPTIVE TO COOPERATIVE REPROCESSING RELATIONSHIP WITH US PROVIDING PLANT LOCATED IN US OR IN AREA WHERE US HAS "CONTROL". IMAI, MORE FREE-SWINGING, CLAIMS TO BE FULLY OPEN TO COOPERATIVE RELATIONSHIP WITH ANY OTHER NATION WHILE TAMIYA GENERALLY QUIET ON OTHER NATIONAL RELATIONSHIPS. PRIOR TO FALL OF VIET NAM BOTH PARTIES CONSIDERED PHILIPPINES ACCEPTABLE POSSIBILITY. NOW ABILITY US TO STAY IN

CONTROL OF PLANT IN PHILIPPINES SUBJECT TO MORE QUESTION THAN PREVIOUSLY, AND STATEMENTS REGARDING ACCEPTABILITY PHILIPPINES AS PLANT SITE MORE GUARDED. KOREA APPEARS UNACCEPTABLE TO ALL JAPANESE CONTACTS. ALASKA AND ALEUTIANS HAVE BEEN MENTIONED BY TAMIYA AS SEMI-SERIOUS POSSIBILITIES ALTHOUGH ECONOMICS UNINVESTIGATED. MAIN POINT IS US CONTROL.

6. WHILE VIEWS OF MITI AND FOREIGN MINISTER NOT KNOWN, NUCLEAR COMMUNITY HAS NOT REACHED CONSENSUS ON GENERAL APPROACH, MUCH LESS SIZE AND TIMING.

7. AT CAPACITY OF 210 TONNES PER YEAR, PNC TOKAI PLANT MUST BE CONSIDERED PILOT PLANT, NOTWITHSTANDING COST OF \$80M (PLUS ADDITIONAL \$20. FOR ADDED WASTE TREATMENT FACILITIES). CASUAL AND INCOMPLETE INSPECTION OF FACILITY BY SCICOUNS LAST APRIL GAVE HIM UNEASY FEELING ABOUT PLANT DESIGN, PARTICULARLY LOCATION OF DISSOLVER VESSEL AND ITS INACCESSIBILITY FOR REPLACEMENT OR MAINTENANCE. SHOULD PLANT EXPERIENCE OPERATING DIFFICULTIES A LARGE MORRIS PLANT DURING COLD START-UP OPERATIONS OR LATER WHEN HOT FUEL IS PROCESSED, ANY JAPANESE PLANS FOR NATIONAL AND INDIGENOUS REPROCESSING PROGRAM COULD SUFFER SEVERE SETBACK. IN ANY EVENT, WOULD APPEAR APPROPRIATE FOR JAPANESE TO EXPERIENCE SEVERAL (AT LEAST TWO) YEAR OF HOT OPERATION WITHOUT MAJOR DIFFICULTY BEFORE COMMITTING TO INVESTMENT OF SEVERAL HUNDRED MILLION DOLLARS FOR FULL-SCALE PLANT. IN INTERIM, LONG-TERM SPENT FUEL STORAGE WOULD BE AS APPROPRIATE FOR JAPAN AS FOR OTHER COUNTRIES WITH LARGE
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NUCLEAR POWER PROGRAMS LIKE U.S.

8. SITING OF EITHER REPROCESSING OR SPENT FUEL STORAGE FACILITIES ON MAIN JAPANESE ISLANDS IS COMPLICATED BY POSSIBLE SEISMIC ACTIVITY AND BY LOCAL OPPOSITION TO ESSENTIALLY ALL NUCLEAR INSTALLATIONS ON ENVIRONMENTAL OR OTHER GROUNDS. TAKING CUE FROM US, JAPAN WILL BE EVEN MORE CONCERNED ABOUT LONG-TERM RETENTION OF HIGH LEVEL WASTES FROM REPROCESSING PLANTS. THESE TECHNICAL AND POLITICAL FACTORS MAY FORCE JAPANESE TOWARD IDENTIFYING LOCATIONS FOR SPENT FUEL STORAGE, REPROCESSING, AND WASTE RETENTION OR DISPOSAL NOT ON POPULATED MAIN ISLANDS. IF RATIONALE FOR REMOTE LOCATIONS BECOMES CONVINCING TO GOJ AND INDUSTRY (E.G., ERG) AUTHORITIES, THEN ADDITIONAL CREDENCE COULD BE ATTACHED TO MULTINATIONAL OWNERSHIP AND TO PROCESSING AND WASTE STORAGE FOR FUELS ORIGINATING IN OTHER COUNTRIES. WITH HIGH POPULATIONS DENSITY IN MAIN ISLANDS AND GENERAL ANTI-NUCLEAR SENTIMENT OF ENVIRONMENT-ORIENTED POPULACE, IT DOES NOT APPEAR CONCEIVABLE TO EMBASSY THAT CLOSE-IN LOCATION OF MULTINATIONAL REGIONAL PLANTS WOULD BE VIABLE OPTION. AS ONE EXAMPLE OF POTENTIAL POLITICAL REACTION THAT COULD OCCUR, ONE NEED ONLY RECALL PROBLEMS ENTAILED IN OBTAINING APPROVALS FOR US NPW VISITS AND FOR

BERTHING OF MUTSU. IF REPEATED PORT CALLS BY FOREIGN SHIPS TO UNLOAD SPENT FUEL CASKS WERE TO OCCUR, WE CAN ANTICIPATE THAT PUBLIC HUE AND CRY WOULD BE ENORMOUS. LIKEWISE, SEA TRANSPORTATION OF JAPANESE SPENT FUEL FROM KYUSHU OR HOKKAIDO TO HONSHU (ASSUMING HONSHU MIGHT BE SITE OF REPROCESSING FACILITY) COULD BE EXPECTED TO CAUSE FUROR. EVEN LAND TRANSPORTATION OF SPENT FUEL CASKS REMAINS A PROBLEM YET TO BE FACED BY JAPANESE.

9. THOSE DIRECTLY AND TECHNICALLY CONCERNED WITH REPROCESSING IN JAPAN WILL BE HEAVILY OCCUPIED OVER NEXT SEVERAL MONTHS WITH TOKAI START-UP, ALTHOUGH LONG-RANGE PLANNING PERSONNEL PROBABLY NOT DIRECTLY CONCERNED. DEPT ALTERNATIVES ON APPROACHING JAPANESE (PARA D, REFTEL 1) ON MULTINATIONAL REGIONAL PLANT ARE, IN EMBASSY'S OPINION, COMPLICATED BY GOJ'S CONCERN THAT FAILURE TO RATIFY NPT IN LAST DIET SESSION MAY LEAD TO SOME FORM OF RECRIMINATION BY USG. TOO DIRECT OR FORCEFUL AN APPROACH MAY LEAD JAPANESE TO THINK THAT USG RATIONALE FOR MULTINATIONAL PLANT IS PART OF SCHEME
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TO OBTAIN FULL FUEL CYCLE SAFEGUARDS AND SECURITY CONTROL EQUIVALENT TO NPT ADHERENCE. EMOFFS HAVE BEEN QUIZZED ON THIS POSSIBILITY SEVERAL TIMES BY PRIVATE INDUSTRY AND PRESS REPRESENTATIVES. WITHIN GOJ, USG PROPOSALS MADE AT SUPPLIERS CONCERENCES HAVE HEIGHTENED CONCERN THAT JAPAN WILL BE SINGLED OUT FOR SPECIAL ATTENTION AS A NON-NPT NATION BECAUSE OF ITS LARGE NUCLEAR POWER PROGRAM AND TECHNICAL EXPERTISE. SINCE TIME FOR DECISION ON NEXT REPROCESSING PLANT IS NOT CRITICAL YET IN JAPAN, EMBASSY FAVORS TRYING TO DRAW JAPANESE INTO IAEA STUDY ON AN ACTIVE BASIS. THIS WILL TEND TO SLOW DOWN DECISION MAKING TO SOME EXTENT WITHIN GOJ, GIVE TIME FOR DIET TO RECONSIDER RATIFICATION OF NPT AT SPECIAL SESSION IN SEPT OR OCT OR AT NEXT REGULAR SESSION, AND EXPOSE JAPANESE TO TECHNICAL/ECONOMIC FACTORS FAVORING LARGE REGIONAL PLANTS WHICH MAY WELL SURFACE IN IAEA STUDY ON BASIS OF PRELIMINARY STUDY ALREADY CONDUCTED. WITHOUT APPROACHING GOJ DIRECTLY, EMBASSY CAN ONLY GUESS AT GOJ RECEPTIVITY TO PARTICIPATION IN IAEA STUDY. AS LONG AS IT IS CONSIDERED RELATIVELY NON-POLITICAL IN NATURE (ALTHOUGH WE AND ALMOST CERTAINLY THEY RECOGNIZE THE POLITICAL MOTIVATION BEHIND IT), THE IAEA STUDY WOULD AFFORD JAPANESE ESSENTIALLY FREE ACCESS TO LATEST ECONOMICS OF REPROCESSING AND WASTE MANAGEMENT FACILITY CONSTRUCTION, SPENT FUEL STORAGE FACILITY CONSTRUCTION, LONG-
\$8 5-;3 54-, 0945 9* 03,5 *73), ETC., ON A TIMELY BASIS. IT IS DIFFICULT TO IMAGINE THAT JAPANESE WOULD CAST ASIDE SUCH AN OPPORTUNITY, UNLESS THEY WOULD PERCEIVE ACTIVE INVOLVEMENT ON THEIR PART AS A COMMITMENT TO GO ALONG WITH CONCLUSIONS ULTIMATELY REACHED.

10. AS FAR AS NUS AND EEI APPROACHES ARE CONCERNED, SINCE THESE ARE ALREADY UNDERWAY, IT WOULD BE WISE TO LET THEM CON-

TINUE AT THEIR OWN PACE LEST ANY USG INTERFERENCE IN THEM BE
CONSTRUED AS A TIGHTENING UP OF USG/GOJ RELATIONS IN A NEGATIVE
SENSE. CONCERNING USG DIRECT APPROACH, EMBASSY IS UNDER IM-
PRESSION THAT USG ARGUMENTS FOR MULTINATIONAL REGIONAL PLANTS
HAVE BEEN MADE EXHAUSTIVELY IN SUPPLIERS CONFERENCE. UNLESS
USG IS PREPARED TO FURNISH INFORMATION NOT YET DIVULGED (E.G.,
TECHNICAL OR ECONOMIC DATA) AND TO STATE THAT US TERRITORY IS
ALSO OPEN TO SITING OF SUCH PLANTS, THE GOVERNMENTAL APPROACH
MAY BE SOMEWHAT HEAVY-HANDED AT THIS TIME IN EMBASSY'S OPINION.
ON LATTER POINTS, DEPT AND ERDA MAY WISH TO RECALL THE "NUCLEAR
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GARBAGE DUMP" PROBLEM THAT AROSE IN CONNECTION WITH CONG.
HOSMER'S DISCUSSIONS IN AUSTRALIA. JAPANESE FACE SAME PROBLEM
AND WILL LOOK TO US FOR ASSURANCES THAT US ITSELF WOULD BE
PREPARED TO ACCEPT WASTES FROM OTHER COUNTRIES UNDER REGIONAL
MULTINATIONAL PLANT CONCEPT IF USG DECIDES THAT ON BALANCE
IT NEEDS TO APPROACH GOJ ON REPROCESSING SITES, CONTACT MUST
BE INFORMAL, LOW-KEY, AND WITHOUT PUBLICITY. TECHNICAL
RATHER THAN POLITICAL DISCUSSIONS WOULD BE
PREFERABLE AT START.
HODGSON UNQUOTE
KISSINGER

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